

SECTION II FINANCIAL TERMS

TERM	COUNTY VISION	PROPOSER'S RESPONSE
II-1 Financial Benefits to the County	<p>The County seeks to maximize the payments, economic benefits, and any other return on investment to the County in connection with the disposition of the Coliseum Site. The proposed financial benefits to the County should reflect the level of development shown on developer's site plan and in the development parameters attached to the Best and Final Offer.</p> <p>Developer must provide its best and final offer with respect to the following payments to the County.</p> <p>(a) If the disposition is a lease of the Coliseum Site,</p> <p style="padding-left: 40px;">(i) Option Period Rent. The County is suggesting a 2 year option period with a potential 2 year extension. Developer must identify when during the Option Period, and in what amount, developer proposes to start making option payments.</p> <p style="padding-left: 40px;">(ii) Base Rent. Developer must set forth the amount of guaranteed base rent lease payments, as well as the commencement date for such rent, the proposed base rent escalations (<i>e.g.</i>, the type/timing), and the proposed fair market rental resets.</p> <p style="padding-left: 40px;">(iii) Rent Increases. Developer must set forth its offer to increase the guaranteed base rent if beneficial development (<i>e.g.</i>, greater density) is approved and land value is increased, including any proposed formula for any such increased base rent. If the development plan is based on multi-phase development, developer must set forth its offer to</p>	<p>Upon approval it is our intent to commence construction of the Coliseum and County building. Upon completion of the County building it will be transferred free and clear to the County as payment in full for the purchase price of the 77 acres, with or without the Coliseum.</p>

	<p>increase the guaranteed base rent or other payment to the County in this instance.</p> <p>(iv) Purchase Option Payments. If there is a purchase option during the lease term, developer must describe the mechanics of this option, including the land to be purchased and the purchase price.</p> <p>(v) Real Estate Taxes. Developer will be expected to pay all real estate taxes on the land and the improvements, except that developer will not pay the County-portion of real estate taxes on the Coliseum building itself.</p> <p>(vi) Utilities. Developer will be solely responsible. Developer agrees to purchase any hot and chilled water, and steam, that the County obtains from Trigen.</p> <p>(b) If the disposition is a fee simple transfer of the Coliseum Site, developer must identify the proposed purchase price to be paid to the County, together with the proposed payment terms. The purchase price should be based upon “as is” physical condition of the property, and should assume that the approvals for the developer’s proposed development shall have been granted. Please provide any alternatives that would be applicable in the event of changes during the approval process.</p>	
II-2 Coliseum Renovation	Developer must set forth the total cost of renovations to the Coliseum building and parking, including specific details on the breakdown of expenses.	In the time period provided and the details given, it is impossible to provide a breakdown of the renovation costs.
II-3 Revenue Sharing	The County seeks revenue sharing opportunities with respect to the operations at the Coliseum, including ticket sales, luxury boxes, club seats, concessions, franchises, naming rights, broadcast rights and parking. Please set	Our proposal does not include any revenue sharing with the County.

	forth your offer to provide the County with revenue-sharing opportunities from operations at the Coliseum building.	
II-4 SMG Lease Buyout / Condemnation	Developer will be required to terminate or amend the SMG lease to obtain site control. This may be accomplished through mutual agreement or condemnation, in either case, at developer's sole cost and expense. Developer must identify the preferred course of action and set forth estimated expenses associated with that course of action.	A mutually agreeable amendment would be our preferred course of action. However, condemnation would be acceptable if necessary.
II-5 Public Transportation	Developer must set forth its offer of financial support for public transportation improvements.	Developer will provide easements at the property at no cost and will construct two stations on the site, one at the Coliseum entrance and one at the County building entrance.
II-6 Financing Plan	<p>The developer must provide to the County its financing plan which must be satisfactory to the County (in consultation with its advisors) in all respects.</p> <p>This financing plan should include all information required to provide the County sufficient data to evidence that the proposed development can be financed, constructed, and delivered in a timely fashion. The financing plan should contain the following:</p> <ol style="list-style-type: none"> 1. Development schedule and budget; 2. Sources and uses statement; <ul style="list-style-type: none"> • Sources, amounts, terms and conditions of financing and developer's equity; and • Breakdown of uses of funds in the project, including an itemized list of all costs associated with the improvements of the Site. 	<p>Both the Cordish Company and the Polimeni organization have completed billions of dollars worth of facilities throughout the country and, in fact, the world. It is too premature to get involved with specific lenders at this time. The County will have to depend on our past record of accomplishment to satisfy themselves that we are fully capable of financing this project.</p> <p>4. The following lenders: Lehman Brothers CIBC Principal Group Prudential Insurance Deutsche Banc Mortgage Capital, LLC Morgan Stanley Bear Stearns & Co. UBS Financial Services, Inc.</p>

	<p>3. Evidence of financing consistent with sources and uses statement;</p> <p>4. Evidence of financial capacity of lenders and equity sources;</p> <p>5. Identity and financial capacity of guarantor to guaranty lien-free completion of the project</p> <p>At the County's request, developer will submit a supplemental financing plan setting forth such information as County (in consultation with its advisors) deems, in the exercise of its sole discretion, helpful or relevant in evaluating developer or any aspect of its proposal and indicating any and all changes from any initial financing plan.</p>	<p>Goldman Sachs Merrill Lynch Starwood Capital M & T Bank have provided substantial funding for similar projects.</p> <p>The developers have the liquid net worth capacity to do this project entirely out of cash equity and are willing to do so, and have done so in other projects.</p> <p>Some, or a combination of lenders, would be used for this development. We will provide the names of officers of these institutions to verify our borrowing capacity on request.</p> <p>5. We will provide necessary guarantees to satisfy the County's concerns.</p> <p>We will provide a supplemental financing plan upon request by the County.</p>
II-7 Completion Guaranty:	<p>Developer shall be required to deliver to the County a guaranty of the lien-free completion of the Coliseum renovation (including all improvements necessary for the operation of the Coliseum) in accordance with applicable law, and all other improvements proposed to be completed on the balance of the Coliseum Site, together with bonds, security deposits and/or other security acceptable to the County. All guaranties must be executed by entities and/or individuals whose financial capability shall have been demonstrated to the County's satisfaction. Please describe the amounts and various types of security instruments that are being offered to guaranty performance and completion.</p>	<p>The developer will be willing to put up a completion bond covering the Coliseum renovation.</p>

<p>II-8 Costs and Expenses</p>	<p>The developer shall be solely responsible for the following costs and expenses:</p> <ul style="list-style-type: none"> (i) to the extent applicable, New York State real property transfer and conveyance taxes; (ii) recordation fees with respect to any recordable instruments contemplated by the documents, such as a lease or contract of sale, which shall govern the disposition of the Coliseum Site; and (iii) the cost of any surveys desired by the Developer. <p>In addition, the Developer shall also be responsible for payment of the following costs and expenses of the County in connection with this disposition, the negotiation and drafting of the contract of sale/lease and related documents, and the closing of any transactions relating to the disposition of the Coliseum: fees and disbursements of outside counsel, engineers, appraisers, consultants, and financial and real estate advisors retained by the County.</p> <p>Disposition of the Site will trigger the need for an environmental review(s), including review under SEQRA. The Developer will fully compensate the responsible governmental unit or units for all costs and expenses associated with compliance with applicable environmental laws and regulations, including but not limited to the cost and expenses of preparing any and all reports, analysis, and documentation; public notifications, outreach, meetings, and hearings; and the procurement of environmental consultants and counsel as may be required.</p>	<p>This is all acceptable.</p>
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All principals of the development team must respond to each point above and sign below. These signatures authenticate the response submitted herein and constitute acceptance of the County's process, requests and submission requirements to date regarding proposals for the redevelopment of the Coliseum Site.

BY: _____

NAME: Vincent Polimeni

TITLE: Chairman, Polimeni International

DATE: December 9, 2005

BY: _____

NAME: _____

TITLE: _____

DATE: _____

BY: _____

NAME: David Cordish

TITLE: Chairman, The Cordish Company

DATE: December 9, 2005

BY: _____

NAME: _____

TITLE: _____

DATE: _____